declined; the growth in the number of school-going children has suffered a set-back; there has been a fall in Excise and Stamp revenue; and arrears have accumulated in co-operative societies. As foreshadowed in my predecessor's address at the last session, a committee with Dr. N. Kunjan Pillai, Census Commissioner, as chairman and with official and non-official members, was constituted in April 1931 to investigate and report upon the causes of the present economic depression so far as it affected Travancore and to suggest measures to meet the situation. The committee has submitted its report together with separate dissenting minutes by the non-official members. The committee has traversed a wide field and has made definite recommendations on a variety of subjects, such as concessions to be granted in regard to land tax, loans and other facilities for cultivation, reduction of tariff values for assessment to export duty, freight concessions, suspension of *chitties*, arrangements for the collection of reliable statistics, and retrenchment. Some of the recommendations of the committee have already been acted upon. The report is in the press and no time will be lost in considering the others and in giving effect to those that will be found acceptable.

Relief Measures.

9. I shall refer briefly to the several administrative measures that have been sanctioned in order to afford relief to those hard hit by the present economic depression, and then deal with the retrenchments that have been effected in the public service with a view to reduce expenditure. Among the former, it will be found that many of the recommendations of the Economic Depression Enquiry Committee have been accepted. The establishment of the Land Mortgage Bank under State auspices is fully dealt with elsewhere in this address. In the Land Revenue Department, the tax on rubber lands was reduced from Rs. 2 to Re. 1 per acre; the fees on demand notices issued in the second half of 1106 were remitted and the fees already realised were ordered to be adjusted towards the *kist* due in 1107; extension of time was allowed for the payment of tax until the end of 1106 in deserving cases; concessions were granted to the tenants of *Kandukrishi* lands in Ambalapuzha and Trivandrum; one lakh of rupees was sanctioned and earmarked for the grant of loans not exceeding Rs. 200 in each case on fresh applications received in 1106; out of the allotment of Rs. 4·5 lakhs in the current year's budget for the grant of agricultural loans, a sum of Rs. 2 lakhs was set apart for loans not exceeding Rs. 500 in each case; a sum of Rs. 1 lakh was allotted for loans to *punja* cultivators in Kuttanad; exemption from stamp duty was granted in the case of mortgage deeds in respect of these loans; and extension of time is being granted for the payment of instalments of *taravila* in deserving cases. In the Education Department, fines were reduced, and a concession was granted to pupils who failed to pay their fees with fines by the due date. Reductions were made in some license fees charged by the Fisheries Department, and also in the tariff values of some ten agricultural products. Remission of thirty per cent. has been granted in the rentals of all arrack and toddy shops except in the Shertallai taluk; only half the tree tax due for the first half year in 1106 was realised from the toddy shop contractors in the Quilon Division and the

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Shertallai taluk, who commenced business from the beginning of Tulam 1106. These details will convince you of the sympathy of Government towards those adversely affected by the prevailing economic conditions.

Retrenchment.

10. As the financial transactions of 1106 resulted in a deficit and as, with the continuance of the economic depression, the estimated receipts will not be forthcoming and the year 1107 will also close with a deficit, steps have been taken to reduce expenditure. A committee, composed of officials and of the non-official representatives of the Legislative Council on the Standing Finance Committee, was constituted towards the close of October 1931 to investigate the means of retrenchment, both temporary and permanent, in the present expenditure of the State and to make specific recommendations to Government for reducing the expenditure with due regard to the needs of efficient administration, after an examination of all possible economies, with a view to stabilising the financial position. The committee has so far considered and formulated proposals for retrenchment of expenditure in the Land Revenue, Excise, Police, Forest, Registration, Industries, Education and Agricultural Departments. Instructions have been issued to heads of departments to effect economies wherever possible, under contingencies, and under establishment by not filling up vacancies. The rates introduced by the revised rules governing travelling allowances, which were issued as a tentative measure in 1925 to check the growing expenditure on that account, were further reduced with effect from the 1st Kanni 1107. In the Registration Department, where the economic depression automatically led to a reduction in the volume of work, three temporary Sub-Registry Offices were closed in Edavam 1106 and seven others from Chingam 1107. It is proposed to close two more temporary offices from the 1st Meenam 1107, and also to disband from that date twelve temporary clerks working in offices which were formerly overworked. In the Maramat Department, two Section Offices were abolished, the work being distributed among the adjoining Sections. In the Education Department, the appointment of the Vice-Principal of the Training College is held in abeyance; the posts of Lady Lecturer in that college and of the librarian and a peon in the Educational Museum and Bureau have been abolished; and the vacancies in the first grade in the general list of graduate teachers are being kept open till final orders are passed on the proposals of the Retrenchment Committee. The amount of scholarships (open, close, Mahomedan and special) has been reduced by 25 per cent. in the case of fresh awards. The basis of assessing maintenance grants to English schools has been reduced to $33\frac{1}{3}$ per cent. in the case of boys' schools and to 50 per cent. in the case of girls' schools. The rates of remuneration to the chairman and members of the boards, examiners, superintendents, etc., for the public examinations conducted by the department have been reduced. In the Land Revenue Department, the temporary Survey School at Muvattupuzha has been provisionally discontinued from the 1st Dhanu 1107.

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